



General Assembly

February Session, 2002

***Raised Bill No. 5734***

LCO No. 2641

Referred to Committee on Appropriations

Introduced by:  
(APP)

***AN ACT DESIGNATING CERTAIN "FUNDS" AS "ACCOUNTS".***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 4-52 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2002*):

3 As used in sections 4-53 to 4-55, inclusive, as amended by this act,  
4 ["activity fund"] trustee account means any [fund] account operated in  
5 any state educational institution or welfare or medical agency for the  
6 benefit of the employees or students of such institution or agency,  
7 including so-called clients' funds in state hospitals, the revenue of  
8 which is derived from the operation of canteens, vending machines,  
9 dramatics, recitals, student activity fees, membership fees, deposits,  
10 gifts, donations, bequests or any other legal source compatible with the  
11 good government of such institution or agency.

12 Sec. 2. Section 4-53 of the general statutes is repealed and the  
13 following is substituted in lieu thereof (*Effective July 1, 2002*):

14 The administrative head of any such institution or agency may, with  
15 the approval of the Comptroller and in accordance with procedures  
16 prescribed by the Comptroller, establish one or more [activity funds]

17 trustee accounts. The Governor may allot from the funds appropriated  
18 to any such institution or agency any amount needed in [his] the  
19 Governor's judgment for the establishment of any such [activity fund]  
20 trustee account, and the Comptroller shall provide in such procedures  
21 for the reimbursement of such appropriation. The use of such state  
22 facilities as space, fixtures, heat and light to obtain revenue from the  
23 sources designated in section 4-52, as amended by this act, is  
24 authorized. [At the end of each fiscal year any cash balance in such  
25 fund not needed for the maintenance and continuance of its activities  
26 may, with the approval of the Comptroller, be transferred to the  
27 "general welfare fund" of such institution or agency if such a fund has  
28 been established and, if not, shall remain in such activity fund.]

29 Sec. 3. Section 4-54 of the general statutes is repealed and the  
30 following is substituted in lieu thereof (*Effective July 1, 2002*):

31 (a) The management of such [funds] accounts may be under the  
32 control of students or employees other than those adjudged mentally  
33 ill but shall be under the supervision of the administrative head of the  
34 institution or agency, except that such [funds] accounts shall be under  
35 the total control of students under conditions hereinafter provided.  
36 The person acting as treasurer of any such [fund] account shall be  
37 bonded in an amount determined by the State Insurance and Risk  
38 Management Board.

39 (b) Where the duly constituted student government at any public  
40 institution of higher education or where by petition five per cent of the  
41 students enrolled at such institution and paying activity fees seeks to  
42 establish total control and administration of the student [activity fund]  
43 trustee account at such institution, a referendum shall be held on the  
44 question. [Said] Such referendum shall be conducted by secret ballot  
45 and notice of [said] such referendum shall be given to the students at  
46 such institution at least fourteen days prior to [said] such referendum.  
47 Upon approval by a majority of at least forty per cent of all students  
48 enrolled in the institution and paying activity fees, the duly constituted

49 student government of such institution shall become responsible for  
50 the control and administration of [said fund] such account. Pursuant to  
51 this subsection any student government controlling student [activity  
52 funds] trustee accounts shall establish a finance committee whose duty  
53 it shall be to hold hearings on budget requests and expenditures of  
54 [said funds] such accounts and to recommend the allocation of [said  
55 funds] such accounts to the student government. Such student  
56 government shall have as one of its officers a duly elected treasurer  
57 who shall be accountable for such [funds] accounts and be bonded in  
58 accordance with the provisions of subsection (a) of this section.

59 (c) A referendum on whether to continue student control of [said  
60 fund] such account shall be held upon the petition by five per cent of  
61 the students enrolled at such institution and paying activity fees. Such  
62 referendum shall be held in accordance with the provisions of  
63 subsection (b) of this section. Where a majority of those voting in such  
64 referendum disapprove of the continuation of student control over  
65 such [funds] accounts, supervision of such [funds] accounts shall be  
66 vested in the administrative head of the institution in accordance with  
67 subsection (a) of this section.

68 (d) Notwithstanding any provisions of this section, a referendum on  
69 whether to continue student control of [said fund] such account shall  
70 be held at least every four years in accordance with the provisions of  
71 subsection (b) of this section. Such referendum shall require approval  
72 by a majority of at least forty per cent of all students enrolled in the  
73 institution and paying activity fees.

74 Sec. 4. Section 4-55 of the general statutes is repealed and the  
75 following is substituted in lieu thereof (*Effective July 1, 2002*):

76 The administrative head of any institution or agency operating [an  
77 activity fund] a trustee account, the Commissioner of Correction  
78 operating [an activity fund] a trustee account in accordance with the  
79 provisions of section 4-57a or the treasurer of a student government  
80 organization at a public institution of higher education in control of

81 [an activity fund] a trustee account, in accordance with the provisions  
 82 of subsection (b) of section 4-54, as amended by this act, shall file, or  
 83 cause to be filed, a balance sheet and statement of operations with the  
 84 Secretary of the Office of Policy and Management at such times as said  
 85 secretary orders. A copy of such statements shall be retained for  
 86 auditing purposes.

87 Sec. 5. Section 4-56 of the general statutes is repealed and the  
 88 following is substituted in lieu thereof (*Effective July 1, 2002*):

89 Unless otherwise provided by the donor, all gifts, donations or  
 90 bequests made to the students or clients of any state educational  
 91 institution or medical or welfare agency as a group, unclaimed funds  
 92 accumulated from money deposited for the use of students or clients in  
 93 any such state institution or agency, and the interest on any such  
 94 money, shall be placed in a separate [fund] account at such institution  
 95 or agency [which may be known as the "general welfare fund"] and  
 96 shall be used in accordance with procedures prescribed by the  
 97 Comptroller, for the benefit of the students or clients of such  
 98 institution or agency in any manner which the governing board of  
 99 such institution or agency deems suitable.

100 Sec. 6. (*Effective July 1, 2002*) Section 4-57 of the general statutes is  
 101 repealed.

|  |                     |
|--|---------------------|
| This act shall take effect as follows: |                     |
| Section 1                              | <i>July 1, 2002</i> |
| Sec. 2                                 | <i>July 1, 2002</i> |
| Sec. 3                                 | <i>July 1, 2002</i> |
| Sec. 4                                 | <i>July 1, 2002</i> |
| Sec. 5                                 | <i>July 1, 2002</i> |
| Sec. 6                                 | <i>July 1, 2002</i> |

***APP***      *Joint Favorable*

***FIN***      *Joint Favorable*